

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6292**

**BILL NUMBER:** HB 1210

**NOTE PREPARED:** Dec 11, 2009

**BILL AMENDED:**

**SUBJECT:** Establishment of Fire Protection Territories.

**FIRST AUTHOR:** Rep. Cherry

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**      **GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill provides that after March 31, 2010, a municipality and a township may not establish a fire protection territory that would comprise all or part of the combined area of the municipality and the township.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Current law allows two or more taxing units to form a fire protection territory with one of the units being the provider of services to the territory. The Department of Local Government Finance (DLGF) sets the initial operating levy in the first year of operation. The levy is subject to levy controls after the first year. While the old firefighting levies in the participating units are eliminated when a fire protection territory is created, the new fire territory levy usually exceeds the combined amount of the old levies.

This bill would eliminate the ability to establish a fire protection territory when one of the units is a city or town and the other unit is a township.

**Background:** There are currently 20 fire protection territories in the state. Eighteen of those territories were

formed by at least one municipality and at least one township. In 2009, the total levy for those territories was \$27.2 M.

**State Agencies Affected:**

**Local Agencies Affected:** Municipalities and townships.

**Information Sources:** Local Government Database, DLGF.

**Fiscal Analyst:** Bob Sigalow, 317-232-9859.